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BellSouth SWA Contract Tariff No. KY2002-01

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BELLSOUTH
TELECOMMUNICATIONS, INC.
KENTUCKY

ACCESS SERVICES TARIFF

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ISSUED: May 29, 2002

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BY: E.C. Roberts, Jr., President - KY
Louisville, Kentucky

E26. BELLSOUTH SWA CONTRACT TARIFFS

(N)

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E26. BELLSOUTH SWA CONTRACT TARIFFS**E26.1 BellSouth SWA Contract Tariff No. KY2002-01**

(N)

(N)

E26.1.1 General Regulations

(N)

- A. The start date of BellSouth SWA Contract Tariff No. KY2002-01 is the first bill period following subscription to this contract tariff. (N)
- B. BellSouth SWA Contract Tariff No. KY2002-01 shall terminate on August 14, 2007. (N)
- C. The regulations, terms, conditions and volume discounts provided herein shall apply to the customer's applicable BellSouth SWA usage and revenues achieved in the state of Kentucky. (N)
- D. A customer that is similarly situated may subscribe within a period of thirty (30) days following the effective date of BellSouth SWA Contract Tariff No. KY2002-01. (N)

E26.1.2 Subscription Conditions

(N)

- A. To subscribe to BellSouth SWA Contract Tariff No. KY2002-01, the customer and the Company must execute a Letter of Agreement. The Company shall provide a Letter of Agreement for the customer to execute. The Letter of Agreement shall contain: (N)
 - 1. BellSouth SWA Contract Tariff Number (N)
 - 2. Start and termination date of BellSouth SWA Contract Tariff (N)
 - 3. Customer's Name and Billing Address (N)
 - 4. Billing Account Number the credit will be applied (N)
 - 5. Access Customer Name Abbreviations (ACNAs) and Customer Identifications Codes (CICs) to be included in the BellSouth SWA Contract Tariff (N)
 - 6. BellSouth SWA Contract Tariff term (i.e., 36, 48 or 60 months) (N)
 - 7. Minimum Usage Discount Table (N)
- B. To subscribe to BellSouth SWA Contract Tariff No. KY2002-01, the customer must have been a BellSouth SWA customer for the previous 18-months. (N)
- C. When the customer subscribes to BellSouth SWA Contract Tariff No. KY2002-01, the customer must identify to the Company, all Access Customer Name Abbreviations (ACNAs) and Carrier Identification Codes (CICs) to be included in BellSouth SWA Contract Tariff No. KY2002-01. (N)
- D. The customer must be the billing responsible party for all BellSouth SWA billing elements associated with the ACNAs and CICs included in BellSouth SWA Contract No. KY2002-01. (N)
- E. Any additions after the Letter of Agreement is executed will be handled as a merger or acquisition or transfer of service regulations as set forth in E26.1.3 following. (N)
- F. A customer subscribing to BellSouth SWA Contract Tariff No. KY2002-01 may not subscribe to any other BellSouth SWA Contract Tariff that contains services as set forth in G. following. (N)
- G. The following BellSouth SWA services will be used in determining the BellSouth SWA revenues that are eligible to receive the volume discount based on the established minimum local switching usage. (N)
 - 1. BellSouth SWA Common Transport Service (N)
 - Facility Termination, per minute of use (N)
 - Per Mile, per minute of use (N)
 - DS3 to DS1 Multiplexer, per minute of use (N)
 - DS1 to VG Multiplexer, per minute of use (N)
 - 2. Access Tandem Switching (N)
 - Dedicated Tandem Trunk Port Service (N)
 - Per DSO/VG trunk port required (N)
 - Per DS1 trunk port required (N)
 - DS1 to VG Channelization (N)

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E26. BELLSOUTH SWA CONTRACT TARIFFS**E26.1 BellSouth SWA Contract Tariff No. KY2002-01 (Cont'd)**

(N)

E26.1.2 Subscription Conditions (Cont'd)

(N)

G. (Cont'd)

(N)

3. Local Switching

(N)

Local Switching 1

(N)

Local Switching 2

(N)

Local Switching 3

(N)

Local Switching 4

(N)

Common Trunk Port Service

(N)

Per each Common Transport trunk termination, per minute of use

(N)

Dedicated End Office Trunk Port Service

(N)

Per DSO/VG trunk port required

(N)

Per DS1 trunk port required

(N)

- H. A customer may not combine its local switching minutes of use with another customer, whether an individual, partnership, association or corporation, for the purpose of meeting the established minimum local switching usage, as set forth in E26.1.5.B. following.

(N)

I. Cancellation of BellSouth SWA Contract Tariff No. KY2002-01

(N)

1. During the term period of BellSouth SWA Contract Tariff No. KY2002-01, a customer may cancel BellSouth Contract Tariff No. KY2002-01 and subsequently subscribe to another BellSouth SWA Contract Tariff only one time.
2. Cancellation of BellSouth SWA Contract Tariff No. KY2002-01 and subscription to another BellSouth SWA Contract Tariff is allowed only on the anniversary date of BellSouth SWA Contract Tariff No. KY2002-01 and upon meeting one of the following conditions:
 - a. During the first year of BellSouth SWA Contract Tariff No. KY2002-01, the local switching usage achieved is 10 percent below the minimum usage;
 - b. During the remaining years of BellSouth SWA Contract Tariff No. KY2002-01, the local switching usage is below the minimum usage.
 - c. Local switching usage exceeds the discount usage cap.
 - d. Customer adds CIC codes that are desired to become part of the volume discount contract tariff.

(N)

(N)

(N)

(N)

(N)

(N)

(N)

(N)

(N)

(N)

(N)

(N)

- J. Rates and charges for the BellSouth SWA services included in BellSouth SWA Contract Tariff No. KY2002-01 are as set forth in Section E6. of this Tariff. General regulations and ordering options for the BellSouth SWA services are as set forth in Sections E2. and E5. of this Tariff.

(N)

E26.1.3 Mergers and Acquisitions and Transfer of Service

(N)

- A. In the event the customer merges with another company or is acquired by another company; the following regulations will apply:
1. The customer may elect to terminate subscription to BellSouth SWA Contract Tariff No. KY2002-01.
 2. The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining volume discounts provided under BellSouth SWA Contract Tariff No. KY2002-01.
 3. The customer may continue subscribing to BellSouth SWA Contract Tariff No. KY2002-01 for the duration of the contract term provided that the customer continues the subscription as if it were the same entity that existed prior to the merger or acquisition.
- B. If customer requests a transfer of service, pursuant to Transfer of Service regulations in Sections E2. and E6. of this Tariff, the customer's subscription to BellSouth SWA Contract Tariff No. KY2002-01 shall be terminated.

(N)

(N)

(N)

(N)

(N)

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(N)

(N)

(N)

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E26. BELLSOUTH SWA CONTRACT TARIFFS**E26.1 BellSouth SWA Contract Tariff No. KY2002-01 (Cont'd)**

(N)

E26.1.4 BellSouth SWA Revenue Volume Discounts

(N)

- A. Each year of BellSouth SWA Contract Tariff No. KY2002-01 is defined as twelve (12) consecutive bill periods. For purposes of calculating the BellSouth SWA volume discounts, month 1 is the bill period after the beginning date of BellSouth SWA Contract Tariff No. KY2002-01. For example, if the beginning date of BellSouth SWA Contract Tariff No. KY2002-01 is June 6, 2002 bill period, then month 1 for purposes of calculating the BellSouth SWA volume discounts will be the July 6, 2002 bill period. (N)
- B. The BellSouth SWA volume discounts provided herein will be determined during the first month after the end of each year of the BellSouth SWA Contract Tariff No. KY2002-01. During the second month following the end of each year of the BellSouth SWA Contract Tariff No. KY2002-01, the BellSouth SWA volume discounts will be applied via a credit to the customer's bill. (N)
- C. True-up provisions will be made during the first quarter after the termination date of BellSouth SWA Contract No. KY2002-01. (N)
- D. The BellSouth SWA volume discounts are applicable to the usage sensitive and recurring revenues of the BellSouth SWA services as set forth in E26.1.2.G. preceding. (N)
- E. The BellSouth SWA volume discounts specified in BellSouth SWA Contract Tariff No. KY2002-01 will not be applied to taxes and nonrecurring BellSouth SWA revenues. (N)
- F. The BellSouth SWA services to which the volume discounts provided under BellSouth SWA Contract Tariff No. KY2002-01 apply shall only be subject to service assurance warranty regulations specified in E2.4.4 of this Tariff. (N)

E26.1.5 BellSouth SWA Contract Tariff No. KY2002-01 Volume Discount Plan

(N)

- A. BellSouth SWA Contract Tariff No. KY2002-01 provides for annual volume discounts based upon annual local switching minutes of use (MOU) above a stated minimum usage. Annual volume discounts will be determined by the local switching usage volume and the year of the contract in which the local switching usage volume is achieved. (N)
- B. The minimum usage and the achievable volume discounts associated with the BellSouth SWA services are shown in the table below. Volume discounts are not applicable to any usage levels outside of the MOU usage ranges stated in table below: (N)

Minimum Usage (MOU)	Usage Ranges (MOU)	Volume Discount Percentages				
		Year 1	Year 2	Year 3	Year 4	Year 5
103,254,229	103,254,229 – 105,319,314	7%	-	-	-	-
	>105,319,314 – 113,579,652	10%	15%	20%	-	-
	>113,579,652 – 134,230,498	15%	20%	25%	30%	35%

(N)

(N)

(N)

(N)

(N)

- C. The annual local switching usage included in BellSouth SWA Contract Tariff No. KY2002-01 eligible for volume discount is determined by subtracting the minimum usage from the achieved local switching usage for each year. (N)
- D. Dividing the annual local switching usage eligible for volume discount for a given year of BellSouth SWA Contract Tariff No. KY2002-01 by the minimum local switching usage will develop the usage factor. (N)
- E. A usage factor (greater than zero) will be applied to the eligible BellSouth SWA revenue generated by the BellSouth SWA services identified in E26.1.2.G. preceding. This calculation produces the annual revenue eligible for discount. (N)
- F. The discount percent achieved, as set forth in B. preceding, is based upon the minimum usage required, the usage factor achieved and the term year. (N)
- G. The volume discount received for a given year under BellSouth SWA Contract Tariff No. KY2002-01 is determined by multiplying the eligible BellSouth SWA revenue times the discount factor achieved. (N)

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E26. BELLSOUTH SWA CONTRACT TARIFFS**E26.1 BellSouth SWA Contract Tariff No. KY2002-01 (Cont'd)****E26.1.5 BellSouth SWA Contract Tariff No. KY2002-01 Volume Discount Plan (Cont'd)**

H. Following is an example of how the annual BellSouth SWA volume discount will be determined.

BellSouth SWA Contract Tariff No. KY2002-01 Volume Discount Calculation

Customer Information

Customer subscribed to a five year BellSouth SWA Contract Tariff No. KY2002-01 and is in the 4th year of the contract term. The customer's local switching minimum usage is 5,000,000,000 minutes of use. The annual local switching usage for year 4 is 5,750,000,000 minutes of use and the eligible BellSouth SWA revenues for year 4 is \$25,000,000.

Year 4 Usage Eligible for Discount = Year 4 Usage - Minimum Usage

= 5.75B MOU - 5B MOU

= 750M MOU

Year 4 Usage Factor = $\frac{\text{Year 4 Annual Usage}}{\text{Minimum Usage}}$

= $\frac{750\text{M MOU}}{5\text{B MOU}}$

= .15

Year 4 Revenue Eligible for Discount = Year 4 Usage Factor X Year 4 eligible BellSouth SWA Revenue

= .15 X \$25,000,000

= \$3,750,000

Year 4 Volume Discount = Year 4 Revenue Eligible for Discount X Discount Factor

= \$3,750,000 X .30

= \$1,125,000